(a) whether it is a fact that drugs are being sold in several congested areas including clusters of economically weaker sections in the capital by cartels suspected to have links in Pakistan and Afghanistan.

(b) whether any investigation has been conducted in this regard and if so, the details thereof; and

(c) the number of persons arrested during the last six months alongwith the names of localities where this trade is flourishing?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN): (a) and (b) There have been some seizures of brown sugar and smack in small quantity from clusters and congested localities of economically weaker sections, apart from other areas, in the capital . So far no suspect from such areas having links with drug cartel suspected to have links with Pakistan and Afghanistan, has come to the notice of the Government.

(c) During the last six months, NCB has arrested 14 persons and Delhi Police have arrested 157 persons under the NDPS Act in various localities in Delhi.

Terms and conditions for further investment in insurance sector

1596. SHRI SANTOSH BAGRODIA: Will the Minister of FINANCE be pleased to state:

(a) whether with the opening of insurance sector to foreigners and allowing free repatriation of profits and surpluses, the fiscal deficit of the country will go up;

(b) if so, what steps have been taken by Government to avoid this situation;

(c) whether Government propose to ensure that foreign entities or their collaborators will not transfer any cash foreign exchange abroad but may transfer declared profits only through export of Indian Goods and Services if so, the details thereof;

(d) whether Reserve Bank of India will hold all foreign exchange in India only and itself carry out foreign Exchange arbitrage; and

(e) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) Foreign Direct Investment in the insurance sector has been limited to 26% of the paid up equity capital of the Indian

insurance companies. Profits can be repatriated by way of dividends only upto this limit. The IRDA has further estimated that it will be difficult for any new insurance company to make any profits in the first six or seven years. Hence, the opening up of the insurance sector is not likely to have any adverse impact on the fiscal situation of the country.

(b) In view of answer to (a) above, question does not arise.

(c) and (d) Under the Insurance Act, the funds of the policy holders cannnot be invested outside India. However, in the general insurance business a small percentage of premium income may be ceded abroad to seek re-insurance cover as is also being done presently by the public sector insurance compaines. This is a normal practice in insurance business and is essential to ensure the safety of their operations. There is no plan to restrict transfer of dividends abroad through export of goods and services only. As explained in answer to (a) above, dividends upto limit of 26% can be repatriated by foreign investors.

(e) No, Sir.

Prime properties of SBI

1597. SHRI K. RAHMAN KHAN: Will the Minister of FINANCE be pleased to state:

(a) what are the details of the prime properties of SBI in India and abroad;

(b) what is the market value and book value of each of these properties; and

(c) the time when the last revaluation of these properties was done?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) and (d) A statement showing the details of prime properties owned by the State Bank of India in India and abroad including their book value and market value, is enclosed. (*See* below)

(c) As per bank, no revaluation of the assets has been done in the books of accounts so far.